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| **ASSUMPTION AGREEMENT** | |
| **INSTRUCTIONS FOR PREPARATION** | |
| **Purpose:**  This form is used in connection with assumptions of Farm Loans. A separate assumption agreement is needed for each loan. | |
| **Handbook Reference:**  4-FLP | **Number of Copies:**  Original and Two |
| **Signatures Required:**  Original to be signed and both copies conformed (/s/). | |
| **Distribution of Copies:**  Original should be kept in the locking, fireproof safe, attached to the promissory notes being assumed. A conformed copy should be placed in the assuming party’s case file attached to the assumed note(s). A conformed copy is given to the assuming party/borrower. (If the transferring parties are released of liability, a copy of the Release of Liability should be kept with the original and file copy of the assumption agreement for future reference.) | |
| **Automation-Related Transactions:** Refer to DLS Loan Servicing User Guide, Transfer and Assumptions Flowchart to determine if a 1M, 4A or 4D transaction is required. | |

## Borrower and/or Co-Borrower must complete Items 14A through 14D by signing the agreement.

#### Items 1 through 9, and Items 18A through 18D are completed by FSA only.

| Fld Name / Item No. | Instruction |
| --- | --- |
| 1  Full Case Number | Enter the 2 digit number assigned to your state farm loan program accounts (non-FIPS); the 3 digit number assigned to your county farm loan program accounts (Non-FIPS); and (beginning with 0) the 9 digit social security or tax identification number assigned to the account. |
| 2A  Type of Loan | Enter a checkmark in the appropriate checkbox to indicate whether the type of loan is Operating (OL), Farm Ownership (FO), Emergency (EM), Economic Emergency (EE), Soil and Water (S&W), or Conservation Loan (CL). Enter a checkmark in the appropriate checkbox to indicate whether the specific type of loan is a non-program, regular or a limited resource loan. |
| 2B  Type of Security | Enter a checkmark to indicate if the security is Real Estate or Chattels. Both checkboxes may be checked if security is both. |
| 3*A*  Transferee Eligibility | Enter a checkmark in the appropriate checkbox to indicate what category the borrower is in:  Item 1 - Eligible Transferee - Same rates and terms.  Item 2 - Eligible Transferee - New rates and terms.  Item 3 - Ineligible Transferee. |
| 3B  Amount of Transfer | Mark the appropriate checkbox.  Item 1 - Transfer for full amount of debt.  Item 2 - Transfer for less than full amount of debt. |
| 3C  Release of Liability | Mark the appropriate checkbox.  Item 1 - Transferor released from personal liability.  Item 2 - Transferor NOT released from personal liability |
| 4*(a)*  Date | Enter the dateof the Assumption Agreement. |
| 4*(b)*  Names | Enter the name(s) of the assuming party(ies) who is/are entering into this Agreement. |
| 4*(c)*  Address | Enter the address (including the Zip Code) of the assuming party(ies). |
| 5*(a)*  Present Debtor | Enter the name(s) of the present debtor(s) of which the Government is the holder or insurer of their loan(s) evidenced by certain debt instrument(s). |
| 5*(b)*  Case Number | Enter the full case number of the present debtor's Agreement identified in Item 6*(a).* |
| 6  Debt Instrument Data | All Debt Instrument(s), including those where loans have been reamortized, rescheduled and, or consolidated, must be identified in Item 6. |
| 6*(a)*  Fund Code - loan number | Enter the fund code and loan number of each Debt Instrument. |
| 6*(b)*  Date | Enter the date of each Debt Instrument identified in Item 6*(a).* |
| 6*(c)*  Original Amount | Enter the original principal dollar amount of each Debt Instrument identified in Item 6*(a).* |
| 6*(d)(1)*  Unpaid Principal | Enter the unpaid principal dollar amount of the Debt Instrument identified in Item 6*(a).*  If describing a Debt Instrument which was subsequently reamortized, rescheduled and, or consolidated, enter N/A. |
| 6*(d)(2)*  Unpaid interest | Enter the unpaid interest of the Debt Instrument identified in Item 6*(a). Be sure to include all interest – non-capitalized, deferred, set-aside, etc.*  If a Debt Instrument was subsequently reamortized, rescheduled and, or consolidated, enter N/A. |
| 6*(e)*  Interest Rate | Enter the Interest Rate of each Debt Instrument identified in Item 6*(a).* |
| 7*(a)*  County | Enter the name of the county where the security instrument(s) are filed or recorded. |
| 7*(b)*  State | Enter the name of the state where the security instrument(s) are filed or recorded. |
| 8*(a)*  Security Instrument | Describe the instrument – real estate mortgage, deed of trust, UCC filing, etc. |
| 8*(b)*  Date Executed | Enter the date the Security Instrument identified in Item 8*(a)* was executed. |
| 8*(c)*  Recording Office | Enter the name of the office where the Security Instrument identified in Item 8(a) was recorded or filed *(i.e., Clerk and Recorder, Secretary of State, etc).* |
| 8*(d)*  Recording Information | Enter the name/number of the book, volume or document that identifies the filing or record. This may also be a microfiche number. |
| 8*(e)*  Recording Page | Enter the page number of the book, volume, or document. |
| 9A  Full Assumption | For full assumption enter a checkmark in this box and complete 9A(1) through 9A(5):  9A*(1)* Enter the total amount, in words, of debt the to be assumed  9A*(2)* Enter the dollar amount, in figures, of debt the to be assumed  9A*(3)* Enter the annual interest rate in words.  9A*(4)* Enter the annual interest rate in numbers as a percent.  9A*(5)* Enter the number of installments.  *or* |
| 9B  Partial Assumption | For partial assumption or assumption without capitalization of interest from previous party, enter a checkmark in this box and complete 9B(1) through 9B(6):  9B*(1)* Enter the total amount, in words, of the unpaid indebtedness  9B*(2)* Enter the dollar amount, in figures, of the unpaid indebtedness  9B*(3)* Enter the annual interest rate, in words.  9B*(4)* Enter the annual interest rate in numbers as a percent  9B*(5)* Enter the accrued interest amount, in words, as of the date of  the transfer.  9B*(6)* Enter the dollar amount of accrued interest, in numbers |
| 9C*(1)*  Installment Amount | Enter the dollar amount *(numeric)* of the first installment. If the installments are the same amount due each period, enter the installment here and enter N/A (Not applicable) in remaining blanks and proceed to Item 9C*(3).* |
| 9C*(2)*  Installment Due Date | Enter the due date of the first installment. If the installments are the same amount due each period, enter the date here and enter N/A in remaining blanks. Proceed to Items 9C*(4)* and *(5).* |
| 9C*(3)*  Amount | Enter the dollar amount (*numeric)* of repeating installments due except the final installment. |
| 9C*(4)*  Day | Enter the day when repeating installments are due. For example, if the payments are on the 9th of December each year, enter “December 9th” |
| 9C(5*)*  Frequency | Enter when the installment is due, i.e, month, year, etc. Using the example in Item 9C*(4)* above, enter “year” for installments due annually |
| Same Rates and Terms | If loan is assumed at same rates and terms complete 9C*(6)* and 9C*(7)* |
| 9C*(6)*  Specific Due Date | Enter the specific date the final payment is due. Example: If the loan being assumed was made on January 1, 1980 with a 40 year term, enter “**January 1, 2020**” |
| 9C*(7)*  Number of Years | Enter the term of the original loan. Using the example above, enter “40” as the number of years. |
| New Rates and Terms | If the loan is assumed on new rates and terms complete 9C(*8)* and 9C(*9)* |
| 9C(8*)*  Due Date | Enter the date that final payment is due. |
| 9C(9)  Number of Years | Enter the (numerical) term of the loan. |
| 10-13 | To be read. No entry required |
| 14A through 17A | Each Borrower signs the Assumption Agreement. |
| 14B through 17B | Each Borrower dates the Assumption Agreement. |
| 18A - 18D | Name, title and signature of Authorized Agency Official and date signed. |